Private Networks, Inc

March 5, 2004

Ex Parte Memorandum

Marlene Dortch, Secretary
Federal Communication Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: WT Docket No. 02-55 and ET docket No. 00-258

Dear Ms. Dortch:

On Thursday, March 4, 2004, Billy J. Parrott, President of Private Networks, Inc. (PNI), met with WTB Chief, John Muleta, and his legal advisor, Uzoma Onyeije, to discuss the negative impact on small, women and minority-owned businesses as a direct result of the rulemaking procedures referenced above. During the meeting, Mr. Parrott outlined the extreme hardships and unfair burdens these lengthy, drawn out proceedings have inflicted on Ad Hoc MDS Alliance members, ranging from loss of revenue due to forced cancellation of spectrum leases to being kicked off transmitter sites by present Lessees. It was also pointed out that MDS Licensees are required to maintain operations at the same time the Commission was creating conditions that made it impossible to maintain. Mr. Parrott cited an instance where old equipment went dark and is unfixable. Thus, under the present rules new equipment must be installed at frequency location in which the Commission three years ago decreed that we would have to vacate. Further, in order to maintain their licenses, Ad Hoc members are being forced to enter into expensive site leases at a spectrum location that has been confiscated by the Commission. In these instances, Ad Hoc licensees are jolted from a revenue-producing mode unto an expense mode.

Finally, Mr. Parrott expressed concerns that, while Ad Hoc has supported both rectifying the public safety issues and establishing Advanced Wireless Services, he is fearful that the Commission is taking a path that will require MDS Licensees to shoulder too much of the burden. This is particular disconcerting to Ad Hoc because its members caused neither the interference in the 800 Band, nor the desire by AWS proponents for the 2.1 GHz band.

Sincerely,

s/Billy J Parrott

Cc: John Muleta,
Uzoma Onyeije